

## **E. NET-PROFIT-SHARE LEASE (NPSL) PETROLEUM PRODUCTION TAX LEASE ALLOWANCE REPORT (PT REPORT)**

### **1. Reporting Instructions**

#### **Overview of the PT Report:**

The Net-Profit-Share Lease Production Tax Lease Allowance Report (PT Report) includes production allowance and credit calculations used in conjunction with the Net-Profit-Share Lease Account Report (AC Report).

The PT Report must be filed beginning with the April 2006 Production Month reporting. It must be filed along with the NPSL Account (AC) Report and must also be filed any time a revision is filed on a past Production Month beginning with the April 2006 Production Month forward. Revision numbers must remain in sync with the AC Report once the PT Report is filed.

The PT Report has nine sections or calculations for allowances and credits. These nine sections are:

- A. Petroleum Production Tax Lease Allowance Net Revenue Calculation (PTR)
- B. Qualified Capital Expenditure Credit Calculation (QCC)
- C. Loss Carry Forward Calculation (LCF)
- D. Tax Based On Price Index Liability (TBP)
- E. Petroleum Production Tax Lease Allowance Before Credits Calculation (PTB)
- F. Small Producer Credit (SPC)
- G. Petroleum Production Tax Lease Allowance Calculation (PTL)
- H. Loss Carry Forward Credit Against Production Revenue Account (LCC)
- I. Petroleum Production Tax Development Account Credits (PPC)

The Petroleum Production Tax Lease Allowance Net Revenue Calculation (PTR) section of the PT Report is used in calculating the "Production Tax Net Revenue" (PTNR) for the lease. The PTNR is the basis for the calculation in other sections of the PT Report, including the calculation of the "Petroleum Production Before Credits" (PTB), lease allocated "Price Index Rate" liability (PTPIR) and the loss carry forward taken against the "Production Revenue Account" (PTLRC) and against the "Development Account" (PTDC).

Qualified Capital Expenditure Credit Calculation (QCC) section of the PT Report is used to calculate the QCEC or Qualified Capital expenditures credit (QCEC) attributable to the lease. It includes accounting for Total Overhead Items (TOI) from the Development Account as reported on the AC Report, excluded capital based on a set barrel of oil equivalent BOE amount per working interest owner volume for Petroleum Production Tax Lease Allowance (PTWIO) of - \$0.30, and, for Production Months after and including July,

2007, the Annual Rate of interest based on the monthly interest rate (IR from the AC Report) allowed pursuant to the NPSL lease (NPAR)

Loss Carry Forward Calculation (LCF) section of the PT Report is used to calculate the loss carry forward credit when a lessee has a loss before the commencement of commercial production. It uses the PTNR calculated in Section A of the PT Report.

Tax Based On Price Index Liability (TBP) section of the PT Report is used to calculate the Production Tax Lease Allowance Price Index (PTPI) based on the "Price Index Rate" (PTPIR) and the PTNR (as calculated in Section A of the PT Report). This calculation includes variable PTPIR's depending on thresholds, multipliers (or marginal tax rates) and "Production Month" start dates.

Petroleum Production Tax Lease Allowance Before Credits Calculation (PTB) section of the PT Report is used to calculate the Production Tax Lease Allowance before the application of the small producer credit. It includes variability due to gross value of point of production and production tax minimum tax rate based on spot price variation.

Small Producer Credit (SPC) section of the PT Report is used to calculate the small producer credit allocable to the lease based on that leases PTWIO put on a daily basis, and the small producer credit estimated to be earned by the lessee based on total state-wide daily production.

Petroleum Production Tax Lease Allowance Calculation (PTL) section of the PT Report is used to calculate the lease allowance by adding the results of PTB (Section E) and PTSPC (Section F).

Loss Carry Forward Credit Against Production Revenue Account (LCC) section of the PT Report is used to calculate the loss carry forward credit against production revenue when a lessee has a loss after the commencement of commercial production and includes variation based on the production month.

Petroleum Production Tax Development Account Credits (PPC) section of the PT Report is used to calculate the development account credits based on qualified capital expenditure credits and loss carry forward credits.

An example of a NPSL lease in payout and one in non-payout are found at the end of these detailed instructions in sections 4 and 5.

### **Accounting Unit:**

An "Accounting Unit" is any "Lease Operation," "Tract Operation," or "Participating Area" that constitutes a single production, financial and reporting entity. DO&G assigns "Accounting Unit" designations for any operation from which a petroleum product is produced for any length of time. DO&G identifies "Accounting Units" as "Active" or "Inactive" based on whether a lessee produces or has produced "Oil," "Gas," or "Associated Substances" from the "Accounting Unit." DO&G considers "Accounting Units" with intermittent production in "Active" status even during periods of no production. Once an "Accounting Unit" becomes "Active", it remains "Active" until the "Accounting Unit" is "Abandoned."

## Electronic Filers:

Each lessee must designate an electronic filer. Contact the Royalty Accounting Section at 269-8800 or via email at [Royrep@alaska.gov](mailto:Royrep@alaska.gov) and request your **myAlaska** user logon and password. Do not set up a **myAlaska** account on your own. All new **myAlaska** accounts for the purposes of conducting business with DO&G must be prescreened and set up by DO&G.

Each lessee may choose from one of three electronic formats, Electronic Data Interchange (EDI), Excel spreadsheet form, or Excel spreadsheet Worksheet.

NOTE: The Excel spreadsheet Worksheet format is optional and is intended only to be a structured format for reporting and calculating the items required to be reported. The Worksheet is structured so that the AC, VV, and PT are linked with formulas among the reported items in an effort to ensure a correct reporting of the required data items.

## Reporting Responsibility:

According to all lease agreements, it is the ultimate responsibility of each lessee to ensure that their oil and gas royalty and net-profit-share reporting and payment obligations are met on each of their leases, regardless of any operating or payment agreements in effect.

A single lessee may file and pay for all lessees in an Accounting Unit. However, all lessees in the Accounting Unit must formally agree in writing to this reporting and payment arrangement. In addition, the Commissioner of the Department of Natural Resources, hereafter referred to as the Commissioner, must approve this arrangement in writing.

## 2. Data Presentation, Formats, And Item Descriptions

The PT Report is organized into Header Data and Report Data. The Header Data provides specific non-repetitive information about the report, the type of report, the lease number, and the production period.

**Note:** The “Report Data” is required to be reported in a certain order. Please refer to the specific instructions for each report and to the template Excel spreadsheet provided at the end of this section of the reporting instructions to determine the exact order in which the data should be reported.

Numeric or alpha codes are used in the “Report Data Items” to describe the variety of “Reports,” “Accounts,” and “Allocations” used. Code lists can be found in your myAlaska site under the Reference Reports area of where you sign in to submit Royalty and NPSL Filings. Additional codes may be assigned as needed to report newly automated information. Lessees should contact the DO&G if a code is needed and not found in your myAlaska site.

Refer to Part 4 of this section for a generic example of a completed PT Report.

## Report Data Items:

The lists below show the data items that are required for the header and the detail for the PT Report. These items are required no matter what electronic format is chosen to submit the report.

### a. Report Header Data Items:

All “Report Header Data Items” must be filled in for the report to be complete. The “Row Number” refers to row numbering in an Excel spreadsheet or the report form.

Data Item	
<u>Row Number</u>	<u>Date Item</u>
1.	(System Use, usually contains form version number.)
2.	Report Type
3.	Report Code
4.	Filing Type
5.	Customer ID Number
6.	(Blank on PT Report)
7.	Production Month
8.	Revision Number
9.	Report Month
10.	Control Number
11.	Authorization Date
12.	Lease Number
13.	(Blank on PT Report)
14.	(Blank on PT Report)
15.	(Blank on PT Report)
16.	(Blank on PT Report)
17.	(Blank on PT Report)
18.	(Blank on PT Report)
19.	Lessee Name
20.	(Blank on PT Report)
21.	Address 1 (Lessee mailing)
22.	Address 2 (Lessee mailing)
23.	City (Lessee mailing)
24.	State (Lessee mailing)
25.	Zip Code (Lessee mailing)
26.	Preparer
27.	Preparer Phone Number
28.	Preparer Fax Number
29.	Authorized Signature (Electronic Code)
30.	Authorized Signature (Person's Name)
31.	Authorizer's Phone Number
32.	Authorizer's Fax Number

### b. Report Detail Data Items:

All “Report Detail Data Items” must be filled out for the report to be complete. Detail Data Items must always begin with “Line 1” on Row 34 of a spreadsheet or report form. The column number reference refers to the column designation found in an Excel spreadsheet.

<u>Column No.</u>	<u>Data Item</u>
A.	Line Number
B.	PPT Report Code
C.	Account Code
D.	Allocation Code
E.	Quantity
F.	Value
G.	Rate
H.	Amount

### **Data Formats:**

#### Quantities, Rate/Other, and Amounts:

These items are required no matter what electronic format is chosen to submit the report. Report as follows:

- a. Round all "Oil" (BBL), "Gas" (MCF), or other quantities to the second decimal place (round 2nd decimal up one if the 3rd decimal is five or higher) or per valid applicable agreement with the State.
- b. Report all "Values" to the fifth decimal place rounding the fifth decimal up one if the sixth decimal is five or higher.
- c. Rates must not be larger than 100%. Report all "Rates" to the fifth decimal place as a percentage by rounding the fifth decimal up one if the sixth decimal is five or higher.

For example:

A rate of 3% should be formatted as a percent to show 3.00000%

A rate of 16.6% should be formatted as a percent to show 16.60000%

- d. All negative numbers must be preceded by a minus (-) sign.
- e. Report all "Amounts" to the nearest U.S. cent.

#### Dates:

Report dates in exactly the following format.

Report Month-Day-Year formats as "MM/DD/YYYY."

## Report Header Data Item Descriptions:

All data items in the header must be filled out completely. The Customer ID, Lease Number and Payment Control Number are critical to accurately identifying your report information. Inaccurate use of Customer IDs, Lease Numbers, or Payment Control Numbers could result in the misfiling or misidentification of your reports. Incomplete or missing reports will be subject to administrative fee charges.

<u>Report Type</u>	List the type of report you are filing; in this case a NPSL "PT" Report. A list of Report codes can be found in your myAlaska site.
<u>Report Code</u>	List the report code for NPSL filing as AL. A list of Report Codes can be found in your myAlaska site.
<u>Filing Type</u>	List the type of filing you are submitting, Regular (REG), Audit (AUD), FERC (FER) Refiling, etc. A list of Filing Types Codes can be found in your myAlaska site.
<u>Customer ID</u>	List the Customer ID code that has been assigned to you as a lessee by the State of Alaska. If you do not know your code, contact the Division of Oil and Gas, Royalty Accounting Section for assistance.
<u>Production Month</u>	List the Production Month as month-day-year for the production being reported. Use the exact month-day-year numeric format, "MM/DD/YYYY." Always use the 1 <sup>st</sup> as the date-day when reporting Production Month dates.
<u>Revision Number</u>	List the revision number. Original reports must be identified with a Revision Number of "00." The first revision should be listed as 01. Each subsequent revision increases the Revision Number by 1.
<u>Report Month</u>	List the calendar month in which the PT Report is being filed. Normal NPSL reporting is two months after the Current-Production-Month, i.e. a January 2008 Production Month is due March 2008 Report Month. If a revised PT Report for Production Month January 2007 is being submitted with the Current-Production-Month January 2008, which would normally have a Report Month of March 2008, the Report Month for the revision would be March 2008 because that is the month the revision is being submitted and paid. Use the exact month-day-year numeric format, "MM/DD/YYYY," i.e. "03/01/2008" in the above example. Always use the 1 <sup>st</sup> as the date day when reporting Report Month dates.
<u>Control Number</u>	List the Control Number for the Business Month the report is included. The Control Number is used to reference all reports (PT, AC, VV and S1 reports) with the actual payment that covers the amounts due. See your myAlaska site for an explanation on how to assign a Control Number.

<u>Authorized Date</u>	List the date the PT Report is being certified as correct. Use the exact month-day-year numeric format, "MM/DD/YYYY."
<u>Lease Number</u>	List the ADL lease number for which the report is being filed.
<u>Lessee Name</u>	List the name of the individual, partnership, firm or corporation having ownership in the NPSL lease.
<u>Address 1</u>	List the lessee's mailing address Line 1.
<u>Address 2</u>	List the lessee's mailing address Line 2 if needed.
<u>City</u>	List the lessee's City.
<u>State</u>	List the lessee's State.
<u>Zip</u>	List the lessee's Zip.
<u>Preparer</u>	List the name of the person who is preparing the PT report.
<u>Preparer Phone Number</u>	List the phone number of the person who is preparing the PT report.
<u>Preparer FAX Number</u>	List the FAX number of the person who is preparing the PT report.
<u>Authorized Signature (Code)</u>	Signature of the person who is authorizing the PT report. Each lessee will select its own Signature Code for the authorization of Documents. The Signature must be 10 characters in length using secure password selection techniques.
<u>Authorized Signature (Printed Name)</u>	List the name of the authorizing signatory
<u>Phone Number</u>	List the phone number of the person who is authorizing the PT report.
<u>FAX Number</u>	List the FAX number of the person who is authorizing the PT report.

## Report Detail Data Item Descriptions:

The PT report detail data items include the following items:

<u>Line Number</u>	List the line number of each individual line of data filed in the report. The line numbers must be sequential
<u>PPT Report Code</u>	List the section of the PT Report that the line number appears. Refer to your myAlaska site for a list of the PPT Report Codes.
<u>Account Code</u>	The NPSL account from which the data items are drawn. Refer to your myAlaska site for a list of the PT Report Account Codes.
<u>Allocation Code</u>	List the Allocation Code that describes the corresponding data item being reported. Refer to your myAlaska site as needed.
<u>Quantity</u>	List quantities to two decimal places.
<u>Value</u>	List the per unit (BLS, MCF,GAL, MMBTU, etc.) value assigned to the Allocations for which you need to report values unique to your company. Values should be reported to five decimal places. Precede negative numbers with a negative sign (-).
<u>Rate</u>	List the "Rate" being used for the "Allocation Code" being reported. List this as a decimal to seven decimal places. However, format the cell to show a percentage to five decimal places. Example: .1660000 would be shown as 16.60000%. Precede negative numbers with a negative sign (-).
<u>Amount</u>	List the total "Amount" as a number to two decimal places. Precede negative numbers with a negative sign (-).



## Detailed Data Items To Be Reported:

PT Report Data Items include the following:

**Data Items highlighted in yellow aren't required.**

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION
1	PTR	PR	TCR	Total Credits (Gross Revenue) (from AC or VV if Unitized Substances are included)
2	PTR	PR	TOI	Total Overhead Items (from AC)
3	PTR	PR	OVHR	Overhead for Production Revenue Account (from AC)
4	PTR	PR	GOAE	General Overhead & Admin. Expense (from AC)
5	PTR	PR	AVT	AD Valorem Taxes (from AC)
6	PTR	PR	NOP	Non-Operator Charges (from AC)
7	PTR	PR	AANOH	Audit Adjustments – Non-Overhead Items (from AC)
8	PTR	PR	TRYE	Royalty payments (from AC)
9	PTR	PT	KPRK	KPRK Lease (Yes = 1 / No = 2) (from PT Input By Producer)
10	PTR	PT	BNDCPT	Base Annual Net Direct Charges (Sum of NDCPT from 4/2006 through 12/2006) (from PT)
11	PTR	PT	NDCPT	Net Direct Charges PPT Lease Allowance (from PT)
12	PTR	DV	TOI	Total Overhead Items (from AC)
13	PTR	DV	OVHR	Overhead for Development Account (from AC)
14	PTR	DV	GOAE	General Overhead & Administrative Expense (from AC)
15	PTR	DV	RTO	Reimbursements To Operator (Capital) (from AC)
16	PTR	PT	CEER	Capital Exclusion – Cents Per BOE (from PT)
17	PTR	PT	EXCAP	Excluded Capital (see AS 43.55.165(e)(18)) (from PT)
18	PTR	PT	QCE	Qualified Capital Expenditures (from PT)
19	PTR	DV	CAPF	Capital Access Fee (Milne Point Leases Only) (from AC)
20	PTR	PT	TPTD	Total PPT Development Lease Allowance Development Costs (from PT)
21	PTR	PT	PTNR	PPT Net Lease Allowance Net Revenue (from PT)
22	QCC	DV	TOI	Total Overhead Items (from AC)
23	QCC	PT	TWIO	Working Interest Ownership Volume (BOE) (from VV). This equals WIO for product codes O & N + WIOB for product code D & W.

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION
24	QCC	PT	TRV	Royalty Volume – (BOE) (from VV). This equals ROY for product codes O & N + ROYB for product code D & W.
25	QCC	PT	PTWIO	PPT Tax Lease Allowance Working Interest Owner Volume (BOE) net of Royalty Volume (BOE) (from PT)
26	QCC	PT	EXCAP	Excluded Capital (see AS 43.55.165(e)(18)) (from PT)
27	QCC	PT	QCE	Qualified Capital Expenditures (from PT)
28	QCC	PT	QCECR	Qualified Capital Expenditure Rate (from PT)
29	QCC	PT	NPAR	Net Profit Annual Rate (from PT)
30	QCC	PT	QCEC	Qualified Capital Expenditures Credit (from PT)
31	LCF	PT	CFCR	Loss Carry Forward Credit Rate (from PT)
32	LCF	PT	PTLB	PPT Lease Allowance Loss Before Production (from PT)
33	LCF	PT	PTLBC	PPT Lease Allowance Loss Before Production Credit (from PT)
34	TBP	PT	PTNR	PPT Lease Allowance Net Revenue
35	TBP	PT	PTWIO	PPT Lease Allowance for Working Interest Owner Volumes (BOE) net of Royalty Volumes (BOE) (from PT)
36	TBP	PT	THR1	Threshold #1
37	TBP	PT	MUL1	Multiplier #1 (Progressive Increment #1)
38	TBP	PT	THR2	Threshold #2
39	TBP	PT	MUL2	Multiplier #2 (Progressive Increment #2)
40	TBP	PT	MPIR	Maximum Price Index Rate
41	TBP	DV	BEGB	Beginning Balance (from AC)
42	TBP	NP	NPR	Net-Profit-Share Rate (from AC)
43	TBP	PT	BTR	Base Tax Rate (from PT)
44	TBP	PT	POS	Payout Status Estimate (from PT)
45	TBP	PT	NPDF	Net Profit Deductibility Factor (from PT)
46	TBP	PT	PTNRB	PPT Lease Allowance Net Revenue Per BOE (from PT)
47	TBP	PT	PTPIR	PPT Lease Allowance Price Index Rate (from PT)
48	TBP	PT	PTPI	PPT Lease Allowance Price Index (from PT)
49	PTB	PT	PTNR	PPT Lease Allowance Net Revenue (from PT)
50	PTB	PT	PTSE	PPT Lease Allowance Section e (from PT)
51	PTB	PT	GVPOP	Gross Value at Point of Production (from PT)
52	PTB	PT	ANS	West Coast ANS Price (from PT)
53	PTB	PT	PTMTR	PPT Lease Allowance Minimum Tax Rate (from PT)
54	PTB	PT	PTMT	PPT Lease Allowance Minimum Tax (from PT)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION
55	PTB	PT	PTBC	PPT Lease Allowance Base Before Credits (from PT)
56	SPC	PT	DOM	Days in the Month (from PT)
57	SPC	PT	SWTPD	State-wide Total Production net of royalty on a BOE Per Day (from PT)
58	SPC	PT	PTTSPC	PPT Lease Allowance Small Producer Credit (from PT)
59	SPC	PT	PWIOD	PPT Lease Allowance Working Interest Owner Volumes net of Royalty on a BOE Per Day for the lease (from PT)
60	SPC	PT	PTSPC	PPT Lease Allowance Lease Allocated Small Producer Credit (from PT)
61	PTL	PT	PTLA	PPT Lease Allowance (from PT)
62	LCC	PT	PTLR	PPT Lease Allowance Loss Against Revenue Account (from PT)
63	LCC	PT	PTLRC	PPT Lease Allowance Loss Against Revenue Account Credit (from PT)
64	PPC	PT	PTDC	PPT Lease Allowance Development Account Credits (from PT)

#### **Current-Production-Month: PT Report:**

The PT Report has nine sections or calculations for allowance and credit. A NPSL report filing for the PT Report requires that all data items for all sections are complete. The nine sections are:

- A. Petroleum Production Tax Lease Allowance Net Revenue Calculation (PTR)
- B. Qualified Capital Expenditure Credit Calculation (QCC)
- C. Loss Carry Forward Calculation (LCF)
- D. Tax Based On Price Index Liability (TBP)
- E. Petroleum Production Tax Lease Allowance Before Credits Calculation (PTB)
- F. Small Producer Credit (SPC)
- G. Petroleum Production Tax Lease Allowance Calculation (PTL)
- H. Loss Carry Forward Credit Against Production Revenue Account (LCC)
- I. Petroleum Production Tax Development Account Credits (PPC)

Factors Description:

The following “Factors” are defined for use in the calculations described for the PT Report.

Factors Description	Factors	Account	Code
Overhead For Operating Expenses Rate	9.000000%	PR	OVHR
Overhead For Capital Expenses Rate	3.000000%	DV	
Capital Expense Exclusion Per bbl	- \$0.30000	PT	CEER
Qualified Capital Expense Credit Rate	20.000000%	PT	QCECR
<u>Before ACES</u> Loss Carry Forward Credit Rate	- 20.000000%	PT	CFCR
<u>After ACES</u> Loss Carry Forward Credit Rate	- 25.000000%	PT	
<u>Before ACES</u> Section e) Tax Rate	22.500000%	PT	BTR
<u>After ACES</u> Section e) Tax Rate	25.000000%	PT	
<u>ACES Effective Date</u>	07/01/2007		ACES
Threshold #1 Price <u>Before Aces</u>	\$40.00000	PT	THR1
Threshold #1 Price <u>After Aces</u>	\$30.00000	PT	
Progressive Increment #1 <u>Before Aces</u>	0.250000%	PT	MUL1
Progressive Increment #1 <u>After Aces</u>	0.400000%	PT	
Threshold #2 Price <u>After Aces</u>	\$92.50000	PT	THR2
Progressive Increment #2 <u>After Aces</u>	0.100000%	PT	MUL2
Max Price Index Based Rate <u>Before Aces</u>	25.000000%	PT	MPIR
Max Price Index Based Rate <u>After Aces</u>	50.000000%	PT	
Adjustment Factor 2007	1.03000		AF7
Adjustment Factor 2008	1.06090		AF8
Adjustment Factor 2009	1.09273		AF9
Start date for adjustment	Jan-07		SD7
Start date for 2nd year of adjustment	Jan-08		SD8
Start date for 3rd year of adjustment	Jan-09		SD9
End date for cap	Jan-10		SD10

**A. The Petroleum Production Tax Lease Allowance Net Revenue Calculation (PTR)**

section of the PT Report is used in calculating the PTR PT PTNR (Production Tax Net Revenue) for the lease. The PTNR is the basis for the calculation in other sections of the PT Report, including the calculation of the petroleum production before credits (PTB), lease allocated price index liability (PTPIR) and the loss carry forward taken against the production revenue account (PTLRC) and against the development account (PTDC).

Line No.    Data Item Description

1.    Report the Production Revenue Total Credits (**PR TCR**) from the AC Report.

Note: For production tax purposes, non-unitized and unitized substances are taxable if by non-unitized substances one means gas or oil that is transferred by a producer to another producer, and then injected into the reservoir for purposes of repressuring, including enhanced recovery, and then subsequently reproduced from that reservoir. See 15 55 AAC 151(e)(3) and (f). If "US" are used, then don't pull TCR from the AC report. Instead, recalculate PR TCR based on "WIO" instead of "US" because the "WIO" volumes are taxable.

2.    Report the Production Revenue Total Overhead items (**PR TOI**) from the AC Report.
3.    Report the percent overhead for the direct operating costs in the Production Revenue Account from the AC Report. (**PR OVHR**)
4.    Report the Production Revenue General Overhead and Administrative Expense (**PR GOAE**) from the AC Report.
5.    Report the Production Revenue Ad Valorem Taxes (**PR AVT**) from the AC Report.
6.    Report the Production Revenue Non-Operator Charges (**PR NOP**) from the AC Report.
7.    Report the Production Revenue Audit Adjustments – Non-overhead items (**PR AANO**) from the AC Report.
8.    Report the Production Revenue Total Royalty Expense Amount (**PR TRYE**) from the AC Report.
9.    For allocation code KPRK, report as a value ONE (1.00000) if the lease is a Kuparuk River Unit lease or TWO (2.00000) if it is not.
10.   Report the Base Annual Net Direct Charges (**PT BNDCPT**). If you are reporting for a Production Month after 12/2006 and before 01/2010 and the lease is a part of Kuparuk River Unit, then sum the Net Direct Charges Petroleum Production Tax lease Allowance (**PT NDCPT**) from April 2006 to the end of the year (2006), otherwise report zero ( 0 ).
11.   Report the Net Direct Charges Petroleum Production Tax Lease Allowance (**PT NDCPT**). If reporting for a Production Month after 12/2006 and before 01/2010 and the lease is a part of Kuparuk River Unit, then divide the "PT BNDCPT" by 9 and multiple the result by the Adjustment Factor ("AF7," "AF8," "AF9") as appropriate and noted on the Fixed Variables Table above. Report all other "PT NDCPT" as the sum of "PR TOI," "PR GOAE," "PR AVT," "PR NOP" and "PR AANO."

12. Report the Development Account Total Overhead items **(DV TOI)** from the AC Report.
13. Report the percent overhead for the Development Account from the AC Report. **(DV OVHR)**
14. Report the Development Account General Overhead and Administrative Expense **(DV GOAE)** from the AC Report.
15. Report the Development Account Reimbursements to Operator (Capital) **(DV RTO)** from the AC Report.
16. Report the Capital Exclusion - Cents Per BOE **(PT CEER)** which is - \$0.30.
17. Report the Excluded Capital **(PT EXCAP)** by multiplying the "PT PTWIO" by the Cents Per BOE **(PT CEER)** which is - \$0.30.
18. Report the Qualified Capital Expenditures **(PT QCE)** by summing the "DV TOI," "DV RTO," and "PT EXCAP."
19. Report the Development Account Capital Access Fee **(DV CAPF)** from the AC Report if the lease is a Milne Point Unit lease. If it is not a Milne Point Unit lease do not report this item or report it as zero ( 0 ).
20. Report the total Petroleum Production Tax Lease Allowance Development Costs **(PT TPTD)** by summing "PT QCE," "DV GOAE," and "DV CAPF."
21. Report the Petroleum Production Tax Lease Allowance Net Revenue **(PT PTNR)** by summing the "PR TCR," "PT NDCPT," "PR TRYE," and "PT TPTD."

**B. Qualified Capital Expenditure Credit Calculation (QCC)** section of the PT Report is used to calculate the "Base Calculation" for the QCEC. There are two methods. The method used depends on the Production Month for which the QCEC is to be calculated, i.e. before 7/2007 or starting on or after 7/2007. It includes accounting for total overhead items, excluded capital, working interest volume, and a set Capital Expense Exclusion amount of - \$0.30.

22. Report the Development Account Total Overhead items **(DV TOI)** from the AC Report.
23. Report the Total Working Interest Ownership Volume **(PT TWIO)** by summing all "WIO" volumes from the VV Report for all "Products," i.e. oil, wet gas, NGLs, etc. Gas volumes must be converted to Barrels of Oil Equivalents (BOE) so that the sum is strictly in barrels of oil. Calculate the BOE for gas **(WIOB)** by dividing the **(WIO)** in thousand cubic feet (MCF) of any gas volume by "6" or the figure you use for your accounting purposes. (11 AAC 83.295(2))

**Note:** Use "WIO" volumes not "US" unitized volumes because "WIO" volumes are taxable.

24. Report the Total Royalty Volume **(PT TRV)** by summing all "ROY" volumes from the VV Report for all "Products," i.e. oil, wet gas, NGLs, etc. Gas volumes must be converted to Barrels of Oil Equivalents (BOE) so that the sum is strictly in barrels of oil equivalent. Calculate the BOE for gas **(ROYB)** by dividing the **(ROY)** in thousand

cubic feet (MCF) of any gas volume by “6” or the figure you use for your accounting purposes. (11 AAC 83.295(2))

25. Report the PT Working Interest Ownership Volume (**PT PTWIO**) by subtracting the PT TWIO volume from the PT TRV volume.
26. Report the Excluded Capital (**PT EXCAP**) by multiplying the PTWIO times the per barrel Capital Expense Exclusion (**CEER**).
27. Report the Qualified Capital Expenditures (**PT QCE**) by summing the “DV RTO,” “DV TOI,” and “PT EXCAP.”
28. Report the Qualified Capital Expenditures Rate (**PT QCECR**) which is 20%.
29. Report the Net Profit Annual Rate (**PT NPAR**) by adding one plus the monthly DV IR from the AC Report, raising the sum to the power of 12 and subtracting 1 to convert the monthly rate to an annual percentage rate.
30. Report the Qualified Capital Expenditures Credit (**PT QCEC**) amount.

If the “Production Month” is before July 2007, then report the product of the Qualified Capital Expense Credit Rate (**PT QCECR**) of ( - 20%) times PT QCE.

If the “Production Month” is July 2007 or after, then report the product of the Qualified Capital Expense Credit Rate (**PT QCECR**) of ( - 20%) times, the sum of fifty percent ( 50% ) times the “PT QCE” and the result of fifty percent ( 50% ) times the “PT QCE” divided by 1 plus “PT NPAR,” i.e.  $- 20\% \times ((50\% \times QCE) + ((50\% \times QCE) / (1 + NPAR)))$ .

**C. Loss Carry Forward Calculation (LCF)** section of the PT Report is used to calculate the loss carry forward when a lessee has a loss before the commencement of commercial production.

31. Report the Loss Carry Forward Credit Rate (**PT CFCR**) which is - 20% if the Production Month is before 07/01/07, otherwise report - 25%.
32. Report the Loss Before Production (**PT PTLB**) amount. If “PT TWIO” is greater than zero ( 0 ) OR “PR TOI” is not equal to zero (0), then report zero ( 0 ). Otherwise, if “PT PTNR” is greater than zero ( 0 ), then report “PT PTNR,” otherwise report zero ( 0 ).
33. Report the Loss Before Production Credit (**PT PTLBC**) amount which is the (**PT CFCR**) times the (**PT PTLB**).

**D. Tax Based On Price Index Liability (TBP)** section of the PT Report is used to calculate the Production Tax Lease Allowance Price Index based on the PTPIR and the PTNR (Section A of the PT Report). This calculation includes variable PTPIR’s depending on thresholds and Production Month start dates.

34. Report the Net Revenue (**PT PTNR**) amount from the PT Report.
35. Report the PT Working Interest Ownership Volume (**PT PTWIO**) volume.
36. Report the Threshold #1 (**PT THR1**) amount of \$40.00000 if the Production Month is

before 07/01/2007, otherwise report \$30.00000.

37. Report the Multiplier #1 (**PT MUL1**) amount of 0.25000% if the Production Month is before 07/01/2007, otherwise report 0.40000%.
38. Report the Threshold #2 (**PT THR2**) amount, i.e. \$92.50000.
39. Report the Multiplier #2 (**PT MUL2**) amount of 0.25000% if the Production Month is before 07/01/2007, otherwise report 0.10000%.
40. Report the Maximum Price Index Rate (**PT MPIR**) amount of 25.00000% if the Production Month is before 07/01/2007, otherwise report 50.00000%.
41. Report the Development Account Beginning Balance (**DV BEGB**) from the AC Report.
42. Report the Net Profit Account Net-Profit-Share Rate (**NP NPR**) from the AC Report.
43. Report the Base Tax Rate (**PT BTR**). If the "Production Month" being reported is before July 2007, then report the tax rate of twenty two point five percent (22.5%). If the "Production Month" is July 2007 or later, report the tax rate of twenty five percent ( 25% ).
44. Report the Payout Status Estimate (**PT POS**). If the sum of the DV BEGB from the AC Report plus the "PT PTNR" is less than zero ( 0 ), then report one ( 1.00000 ). If the sum of the "DV BEGB" from the AC Report plus the PTNR is not less than zero ( 0 ), then report zero ( 0.00000 ).
45. Report the Net Profit Deductibility Factor (**PT NPDF**). If the "Production Month" being reported is before July 2007 OR the POS is equal to zero ( 0 ), then report one ( 1 ). Otherwise, report the result of one ( 1 ) minus the NPR, this difference divided by one ( 1 ) minus the product of the BTR times NPR.
46. Report the Net Revenue Per BOE (**PT PTNRB**). If the "PT PTWIO" equals zero (0), then report zero ( 0 ). Otherwise, report the result of - PTNR divided by the result of "PT PTWIO" divided by "PT NPDF."
47. Report the Price Index Rate (**PT PTPIR**). If the Production Month is before 07/01/2007, then the "PT PTPIR" cannot exceed the "PT MPIR" (Maximum Price Index rate before ACES) of 25%. The "PT PTPIR" is the lessor of the "PT MPIR" (25%) and the number greater than zero ( 0 ) that is determined by the following formula: "PT PTNRB" minus "PT THR1" (\$40.00), difference times "PT MUL1" (0.25%). If the Production Month is 07/01/2007 or greater, then the "PT PTPIR" cannot exceed the "PT MPIR" (maximum price index rate before ACES) of (50%). The "PT PTPIR" is the lessor of the "PT MPIR" and a number greater than zero ( 0 ) that is given by the following formula: Determine the minimum of "PT PTNRB" and "PT THR2" or (\$92.50). Take this minimum and subtract "PT THR1", here (\$30.00). Take this difference and multiply by "PT MUL1" (0.4%). To this product, add a second number that is greater than zero ( 0 ) and given by the formula "PT PTNRB" minus "PT THR2" or (\$92.50), this difference multiplied by "PT MUL2" (0.1%).
48. Report the Price Index (**PT PTPI**). Report the negative product of "PT PTPIR" times the "PT PTNR."



**E. Petroleum Production Tax Lease Allowance Before Credits Calculation (PTB)** is used to calculate the Production Tax Lease Allowance before the application of the small producer credit. It includes variability due to gross value of point of production and production tax minimum tax rate based on spot price variation.

49. Report the Net Revenue (**PT PTNR**) amount from the PT Report.

50. Report the Section (e) (**PT PTSE**) amount.

If "PT PTNR" is greater than zero ( 0 ), then report zero ( 0 ).

If "PT PTNR" is less than zero ( 0 ), then report the product of a minus "PT BTR" times "PT PTNR" times "PT NPDP."

51. Report the Gross Value at Point of Production (**PT GVPOP**) by summing "PR TCR" and "PR TYRE" from the PT Report.

52. Report the West Coast ANS Price (**PT ANS**). See 15 AAC 55.171(m) for instructions in calculating the ANS WC spot price. The "PT ANS" price can be found at the following web site:

[www.tax.alaska.gov/programs/oil/prevaling/ans.aspx](http://www.tax.alaska.gov/programs/oil/prevaling/ans.aspx)

53. Report the Minimum Tax Rate (**PT PTMTR**) rate.

If the ANS price is less than \$15.00 then report a "PT PTMTR" rate of zero per cent (0%).

If the ANS price is less than \$17.50 then report a "PT PTMTR" rate of one per cent (1%).

If the ANS price is less than \$20.00 then report a "PT PTMTR" rate of two per cent (2%).

If the ANS price is less than \$25.00 then report a "PT PTMTR" rate of three per cent (3%).

If the ANS price is greater than \$25 then report a "PT PTMTR" rate of four per cent (4%).

54. Report the Minimum Tax (**PT PTMT**) amount.

If the "PT GVPOP" is greater than zero ( 0 ), then report zero.

If the "PT GVPOP" is not greater than zero ( 0 ), then report the product of a negative "PT GVPOP" times the "PT PTMTR."

55. Report the Base Before Credits (**PT PTBC**) amount. Report the maximum of either the PTMT or the sum of the PTSE and PTPI.

**F. Small Producer Credit (SPC)** is used to allocate the appropriate small producer credit to the NPSL.

56. Report the Days of the Month (**PT DOM**) for the "Production Month" being reported.
57. Report the State-wide Total Production net of royalty on a BOE Per Day (**PT SWTPD**) volume that is taxable under AS 43.55.011(e). When converting Mcf to BOE divide by 6 or the figure you use for your accounting purposes (11 AAC 83.295(2)).
58. Report the Small Producer Credit (**PT PTTSPC**) amount.  
 If the "PT SWTPD" = 0 then 0, otherwise,  
 If the "PT SWTPD" is less than 50,000 barrels, then report the amount  
 $-1 * \$1,000,000.00$ .  
  
 If the "PT SWTPD" is greater than 100,000 barrels, then report the amount \$0.00, otherwise report the amount of the product of  $-1 * \$1,000,000.00$  times the sum of one ( 1 ) minus the product of two ( 2 ) times the result of "PT SWTPD" minus 50,000 divided by 100,000 barrels.
59. Report the Working Interest owner Volumes Net of Royalty (BOE) per day for the lease (**PT PWIOD**) volume. Report the result of "PT PTWIO" divided by "PT DOM."
60. Report the Lease Allocated Small Producer Credit (**PT PTSPC**) amount.  
  
 If the "PT PTTSPC" equals zero ( 0 ), then report zero ( 0 ).  
  
 If the "PT PTTSPC" is not equal to zero ( 0 ), but the "PT PTMT" is greater than the sum of "PT PTSE" and "PT PTPI" and the "Production Month" is equal to or greater than July 2007, then report zero.  
  
 Otherwise:  
  
 If the "Production Month" is before July 2007, then report the Negative Minimum of either  
  
 "PT PTSE", OR  
  
 Negative "PT PTTSPC" times the result of "PT PWIOD" divided by "PT SWTPD."  
  
 If the "Production Month" is equal to or greater than July 2007, then report the Negative Minimum of either:  
  
 The sum of "PT PTSE" and "PT PTPI," OR  
  
 Negative "PT PTTSPC" times the result of "PT PWIOD" divided by "PT SWTPD."

**G. Petroleum Production Tax Lease Allowance (PTL)** is used to calculate the lease allowance by adding the results of PTB (Section E) and PTSPC (Section F) after April 2006.

61. Report the Petroleum Production Tax Lease Allowance (**PT PTLA**) amount. Report the sum of "PT PTBC" and "PT PTSPC."

Note: The PT PTLA can't exceed the PT PTBC.

**H. Loss Carry Forward Credit Against Production Revenue Account (LCC)** is used to calculate the loss carry forward credit against production revenue when a lessee has a loss after the commencement of commercial production and includes variation based on the production month.

62. Report the Loss Against Revenue Account (**PT PTLR**) amount. If the "PT TWIO" OR "PR TOI" do not equal zero ( 0 ) and the "PT PTNR" is greater than zero ( 0 ), then report the "PT PTNR" amount, otherwise report zero ( 0 ).

63. Report the Loss Against Revenue Account Credit (**PT PTLRC**) amount.

If the "Production Month" is before July 2007, then report - 20% times "PT PTLR."

If the "Production Month" is equal to or after July 2007, then report the product of - 25% times "PT PTLR."

**I. Petroleum Production Tax Development Account Credits (PPC)** is used to calculate the development account credits based on qualified capital expenditure credits and loss carry forward credits.

64. Report the Development Account Credits (**PT PTDC**) amount by summing "PT QCEC" and "PT PTLBC."

#### **Prior Production Month Revisions:**

Interest will be assessed and reported on all net profit payments paid after the due date. The interest rate and method used on over/under payment amounts will be based on the rate specified in the lease or the statute in effect for NPS leases in accordance with regulation 11 AAC 83.247(b).

#### **Full Reporting:**

Full reporting means that the information for a NPSL filing is always complete for every filing. In order to be complete all data items must be complete on all applicable report forms for the appropriate status for the NPSL lease being reported. Note that Control Numbers should be used on all filings, and that the Control Number on all the reports for each revision should be the same for all reports for all leases. See your myAlaska site for how to create a Control Number.

#### **NPSL Lease Status:**

The contents of a complete NPSL Report filing varies depending on the status of the lease. A complete filing means all reports must accompany each revision and carry the same revision number. If a Report Type is added during a new revision of a previously submitted filing, the added form should bear the same revision number as the other Report Types being filed, even if it is the first filing for the added Report Type. For example, if VV and AC reports were previously filed, and now a revision is needed to add a PT or S1 Report Type, all reports should bear the current revision number; i.e. if the last revision filed for the VV/AC filing was 3, the new revision for all reports should be 4.

1. Non-producing NPSL Lease Filing:

A lease is in this status if it is not producing commercial or saleable quantities of hydrocarbons. A complete NPSL filing for a Producing Lease in Non-Net-Profit status consists of filing the following schedules monthly:

- i. Account (AC) Report.
- ii. Petroleum Production Tax Lease Allowance (PT) Report for production months after March 2006.

2. Producing NPSL Lease Filing:

A lease is in this status if it produces commercial or saleable quantities of hydrocarbons. Once a lease starts producing the AC, VV, and PT (after March 2006) reports must be filed together as a package beginning with the first month of production. There are two Producing Lease categories:

a. Net-Profit Non-Payout Status:

This is a lease that is producing commercial or saleable quantities of hydrocarbons, but does not yet yield a net-profit payment.

A complete NPSL filing for a Producing Lease in Non-Net-Profit status consists of filing the following schedules monthly:

- i. Account (AC) Report
- ii. Petroleum Production Tax Lease Allowance (PT) Reports for production months after March 2006
- iii. Volume and Value (VV) Reports for each active Accounting Unit on the lease
- iv. Supplemental Reports (As required by DO&G)

b. Net-Profit Payout Status:

A complete NPSL filing for a Producing Lease in Net-Profit Payout status consists of the following schedules:

- i. Account (AC) Report
- i. Petroleum Production Tax Lease Allowance (PT) Report for production months after March 2006
- ii. Volume and Value (VV) Report for each active Accounting Unit on the lease
- iii. Royalty and NPSL Payment Summary (S1) Report
- iv. Supplemental Reports (As required by DO&G.)

## Revision Filings:

Full reporting also applies to revision filings. If any one or more of the reports making up the filing package of a NPSL lease for a Production Month needs revision, then all reports included in the original filing for that Production Month must also be included with the revised filing, with appropriate data items revised in accordance with the entire revised filing. A revised report completely replaces the previous report. Therefore, a revision must include all report forms and all information, not just the information that changed.

All reports in a package should have the same revision number. Piecemeal revisions are not acceptable. Revision numbers are assigned in sequential number order that corresponds to the chronological order of the revision beginning with '00' for the original report. All revision numbers must be used sequentially, reports will not be accepted if the revision numbers are out of sequence or duplicated. For example reporting for a producing non-payout lease would be as follows:

For Production Month Jan 2008 the following are the filings that should occur:

In March 2008 a lessee's provides the initial or original filing to include:

VV Report	Revision 00	Report Month March 2008
AC Report	Revision 00	Report Month March 2008

In September 2008 the Drilling Costs – Well (allocation code DCW) change and the lessee revises the AC report. The lessee files:

VV Report	Revision 01	Report Month September 2008
AC Report	Revision 01	Report Month September 2008

(Note: the VV report for Jan 2008 would be filed with revision 01 even though there were no changes to the VV report).

In January 2009 the TAPS tariff changed so the lessee revises the AC and the VV reports. The lessee files:

VV Report	Revision 02	Report Month January 2009
AC Report	Revision 02	Report Month January 2009

Note: the AC report for Jan 2008 would be filed with revision 02 even though there are no changes to the AC report.

In June 2010 the PT report is filed for the first time for Production Month of March 2008. The lessee files:

VV Report	Revision 03	Report Month June 2010
AC Report	Revision 03	Report Month June 2010
PT Report	Revision 03	Report Month June 2010
Supplemental Reports for VV, AC, PT Reports		

Note: The PT report will be accepted with the revision number out of sequence. AND all reports will include the same current Control Number.

### 3. Blank PT Report

## ALASKA DNR - OIL & GAS V 1.201108

REPORT TYPE	(PTLA Report)	PT
REPORT CODE	(NPSL Report)	AL
FILING TYPE		REG
CUSTOMER ID NUMBER		000012345
PRODUCTION MONTH		10/01/2008
REVISION NO.		00
REPORT MONTH		12/01/2008
CONTROL NUMBER		000012345N12200800
AUTHORIZED DATE		12/22/2008
LEASE NUMBER		ADL #
LESSEE NAME		XYZ Company
ADDRESS1		Enter Data
ADDRESS2		Enter Data
CITY		Enter Data
STATE		Enter Data
ZIP		Enter Data
PREPARER		Enter Data
PREPARER PHONE NUMBER		Enter Data
PREPARER FAX NUMBER		Enter Data
AUTHORIZED SIGNATURE (CODE)		Enter Data
AUTHORIZED SIGNATURE (Printed Name)		Enter Data
PHONE NUMBER		Enter Data
FAX NUMBER		Enter Data

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
1	PTR	PR	TCR				
2	PTR	PR	TOI				
3	PTR	PR	OVHR				
4	PTR	PR	GOAE				
5	PTR	PR	AVT				
6	PTR	PR	NOP				
7	PTR	PR	AANOH				
8	PTR	PR	TRYE				
9	PTR	PT	KPRK				
10	PTR	PT	BNDCPT				
11	PTR	PT	NDCPT				
12	PTR	DV	TOI				
13	PTR	DV	OVHR				
14	PTR	DV	GOAE				
15	PTR	DV	RTO				
16	PTR	PT	CEER				
17	PTR	PT	EXCAP				

### 3. Blank PT Report

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
18	PTR	PT	QCE				
19	PTR	DV	CAPF				
20	PTR	PT	TPTD				
21	PTR	PT	PTNR				
22	QCC	DV	TOI				
23	QCC	PT	TWIO				
24	QCC	PT	TRV				
25	QCC	PT	PTWIO				
26	QCC	PT	EXCAP				
27	QCC	PT	QCE				
28	QCC	PT	QCECR				
29	QCC	PT	NPAR				
30	QCC	PT	QCEC				
31	LCF	PT	CFCR				
32	LCF	PT	PTLB				
33	LCF	PT	PTLBC				
34	TBP	PT	PTNR				
35	TBP	PT	PTWIO				
36	TBP	PT	THR1				
37	TBP	PT	MUL1				
38	TBP	PT	THR2				
39	TBP	PT	MUL2				
40	TBP	PT	MPIR				
41	TBP	DV	BEGB				
42	TBP	NP	NPR				
43	TBP	PT	BTR				
44	TBP	PT	POS				
45	TBP	PT	NPDF				
46	TBP	PT	PTNRB				
47	TBP	PT	PTPIR				
48	TBP	PT	PTPI				
49	PTB	PT	PTNR				
50	PTB	PT	PTSE				
51	PTB	PT	GVPOP				
52	PTB	PT	ANS				
53	PTB	PT	PTMTR				
54	PTB	PT	PTMT				
55	PTB	PT	PTBC				
56	SPC	PT	DOM				
57	SPC	PT	SWTPD				
58	SPC	PT	PTTSPC				
59	SPC	PT	PWIOD				
60	SPC	PT	PTSPC				
61	PTL	PT	PTLA				
62	LCC	PT	PTLR				
63	LCC	PT	PTLRC				
64	PPC	PT	PTDC				

#### 4. PT Report (Payout Example)

### ALASKA DNR - OIL & GAS V 1.201108

REPORT TYPE	(PTLA Report)	PT
REPORT CODE	(NPSL Report)	AL
FILING TYPE		REG
CUSTOMER ID NUMBER		000012345
PRODUCTION MONTH		10/01/2008
REVISION NO.		00
REPORT MONTH		12/01/2008
CONTROL NUMBER		000012345N12200800
AUTHORIZED DATE		12/22/2008
LEASE NUMBER		ADL #
LESSEE NAME	XYZ Company	
ADDRESS1	Enter Data	
ADDRESS2	Enter Data	
CITY	Enter Data	
STATE	Enter Data	
ZIP	Enter Data	
PREPARER	Enter Data	
PREPARER PHONE NUMBER	Enter Data	
PREPARER FAX NUMBER	Enter Data	
AUTHORIZED SIGNATURE (CODE)	Enter Data	
AUTHORIZED SIGNATURE (Printed Name)	Enter Data	
PHONE NUMBER	Enter Data	
FAX NUMBER	Enter Data	

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
1	PTR	PR	TCR				-78,170,230.07
2	PTR	PR	TOI				4,501.22
3	PTR	PR	OVHR			9.00000%	
4	PTR	PR	GOAE				405.11
5	PTR	PR	AVT				1,500.88
6	PTR	PR	NOP				5,000.12
7	PTR	PR	AANOH				0.00
8	PTR	PR	TRYE				9,771,279.26
9	PTR	PT	KPRK		2.00000		
10	PTR	PT	BNDCPT				0.00
11	PTR	PT	NDCPT				11,407.33
12	PTR	DV	TOI				2,600,001.45
13	PTR	DV	OVHR			3.00000%	
14	PTR	DV	GOAE				78,000.04
15	PTR	DV	RTO				0.00
16	PTR	PT	CEER		-0.30000		



#### 4. PT Report (Payout Example)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
17	PTR	PT	EXCAP				-210,082.57
18	PTR	PT	QCE				2,389,918.88
19	PTR	DV	CAPF				768,000.12
20	PTR	PT	TPTD				3,235,919.04
21	PTR	PT	PTNR				-65,151,624.44
22	QCC	DV	TOI				2,600,001.45
23	QCC	PT	TWIO	800,314.57			
24	QCC	PT	TRV	100,039.33			
25	QCC	PT	PTWIO	700,275.24			
26	QCC	PT	EXCAP				-210,082.57
27	QCC	PT	QCE				2,389,918.88
28	QCC	PT	QCECR			20.00000%	
29	QCC	PT	NPAR			8.02300%	
30	QCC	PT	QCEC				-460,233.56
31	LCF	PT	CFCR			-25.00000%	
32	LCF	PT	PTLB				0.00
33	LCF	PT	PTLBC				0.00
34	TBP	PT	PTNR				-65,151,624.44
35	TBP	PT	PTWIO	700,275.24			
36	TBP	PT	THR1		30.00000		
37	TBP	PT	MUL1			0.40000%	
38	TBP	PT	THR2		92.50000		
39	TBP	PT	MUL2			0.10000%	
40	TBP	PT	MPIR			50.00000%	
41	TBP	DV	BEGB				0.00
42	TBP	NP	NPR			40.00000%	
43	TBP	PT	BTR			25.00000%	
44	TBP	PT	POS		1.00000		
45	TBP	PT	NPDF			66.66700%	
46	TBP	PT	PTNRB				62.03
47	TBP	PT	PTPIR			-12.81200%	
48	TBP	PT	PTPI				8,347,226.12
49	PTB	PT	PTNR				-65,151,624.44
50	PTB	PT	PTSE				10,858,658.37
51	PTB	PT	GVPOP				-68,398,950.81
52	PTB	PT	ANS		73.65000		
53	PTB	PT	PTMTR			4.00000%	
54	PTB	PT	PTMT				2,735,958.03
55	PTB	PT	PTBC				19,205,884.49
56	SPC	PT	DOM		31.00000		
57	SPC	PT	SWTPD	90,000.25			
58	SPC	PT	PTTSPC				-199,995.00
59	SPC	PT	PWIOD	22,589.52			
60	SPC	PT	PTSPC				-50,197.54
61	PTL	PT	PTLA				19,155,686.95
62	LCC	PT	PTLR				0.00
63	LCC	PT	PTLRC				0.00
64	PPC	PT	PTDC				-460,233.56

## 5. Schedule PT Report (Non-Payout Example)

### ALASKA DNR - OIL & GAS V 1.201108

REPORT TYPE	(PTLA Report)	PT
REPORT CODE	(NPSL Report)	AL
FILING TYPE		REG
CUSTOMER ID NUMBER		000012345
PRODUCTION MONTH		10/01/2008
REVISION NO.		00
REPORT MONTH		12/01/2008
CONTROL NUMBER		000012345N12200800
AUTHORIZED DATE		12/22/2008
LEASE NUMBER		ADL #
LESSEE NAME	XYZ Company	
ADDRESS1	Enter Data	
ADDRESS2	Enter Data	
CITY	Enter Data	
STATE	Enter Data	
ZIP	Enter Data	
PREPARER	Enter Data	
PREPARER PHONE NUMBER	Enter Data	
PREPARER FAX NUMBER	Enter Data	
AUTHORIZED SIGNATURE (CODE)	Enter Data	
AUTHORIZED SIGNATURE (Printed Name)	Enter Data	
PHONE NUMBER	Enter Data	
FAX NUMBER	Enter Data	

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
1	PTR	PR	TCR				-86,836.51
2	PTR	PR	TOI				15,001.74
3	PTR	PR	OVHR			9.00000%	
4	PTR	PR	GOAE				1,350.16
5	PTR	PR	AVT				1,500.88
6	PTR	PR	NOP				5,000.12
7	PTR	PR	AANOH				0.00
8	PTR	PR	TRYE				10,855.07
9	PTR	PT	KPRK		1.00000		
10	PTR	PT	BNDCPT				180,000.11
11	PTR	PT	NDCPT				21,218.01
12	PTR	DV	TOI				35,001.45
13	PTR	DV	OVHR			3.00000%	
14	PTR	DV	GOAE				1,050.04
15	PTR	DV	RTO				0.00
16	PTR	PT	CEER		-0.30000		

## 5. Schedule PT Report (Non-Payout Example)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	QUANTITY	VALUE	RATE	AMOUNT
17	PTR	PT	EXCAP				-283.67
18	PTR	PT	QCE				34,717.78
19	PTR	DV	CAPF				0.00
20	PTR	PT	TPTD				35,767.82
21	PTR	PT	PTNR				-18,995.61
22	QCC	DV	TOI				35,001.45
23	QCC	PT	TWIO	1,080.67			
24	QCC	PT	TRV	135.09			
25	QCC	PT	PTWIO	945.58			
26	QCC	PT	EXCAP				-283.67
27	QCC	PT	QCE				34,717.78
28	QCC	PT	QCECR			20.00000%	
29	QCC	PT	NPAR			8.02300%	
30	QCC	PT	QCEC				-6,685.70
31	LCF	PT	CFCR			-25.00000%	
32	LCF	PT	PTLB				0.00
33	LCF	PT	PTLBC				0.00
34	TBP	PT	PTNR				-18,995.61
35	TBP	PT	PTWIO	945.58			
36	TBP	PT	THR1		30.00000		
37	TBP	PT	MUL1			0.40000%	
38	TBP	PT	THR2		92.50000		
39	TBP	PT	MUL2			0.10000%	
40	TBP	PT	MPIR			50.00000%	
41	TBP	DV	BEGB				20,000,000.19
42	TBP	NP	NPR			40.00000%	
43	TBP	PT	BTR			25.00000%	
44	TBP	PT	POS		0.00000		
45	TBP	PT	NPDF			100.00000%	
46	TBP	PT	PTNRB				20.09
47	TBP	PT	PTPIR			0.00000%	
48	TBP	PT	PTPI				0.00
49	PTB	PT	PTNR				-18,995.61
50	PTB	PT	PTSE				4,748.90
51	PTB	PT	GVPOP				-75,981.44
52	PTB	PT	ANS		73.65000		
53	PTB	PT	PTMTR			4.00000%	
54	PTB	PT	PTMT				3,039.26
55	PTB	PT	PTBC				4,748.90
56	SPC	PT	DOM		31.00000		
57	SPC	PT	SWTPD	90,000.25			
58	SPC	PT	PTTSPC				-199,995.00
59	SPC	PT	PWIOD	30.50			
60	SPC	PT	PTSPC				-67.78
61	PTL	PT	PTLA				4,681.12
62	LCC	PT	PTLR				0.00
63	LCC	PT	PTLRC				0.00
64	PPC	PT	PTDC				-6,685.70

## 6. Schedule PT Report (With Regulation References)

### ALASKA DNR - OIL & GAS V 1.201108

REPORT TYPE	(PTLA Report)	PT
REPORT CODE	(NPSL Report)	AL
FILING TYPE		REG
CUSTOMER ID NUMBER		000012345
PRODUCTION MONTH		10/01/2008
REVISION NO.		00
REPORT MONTH		12/01/2008
CONTROL NUMBER		000012345N12200800
AUTHORIZED DATE		12/22/2008
LEASE NUMBER		ADL #
LESSEE NAME		XYZ Company
ADDRESS1		Enter Data
ADDRESS2		Enter Data
CITY		Enter Data
STATE		Enter Data
ZIP		Enter Data
PREPARER		Enter Data
PREPARER PHONE NUMBER		Enter Data
PREPARER FAX NUMBER		Enter Data
AUTHORIZED SIGNATURE (CODE)		Enter Data
AUTHORIZED SIGNATURE (Printed Name)		Enter Data
PHONE NUMBER		Enter Data
FAX NUMBER		Enter Data

## 6. Schedule PT Report (With Regulation References)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION	REGULATIONS CITE
1	PTR	PR	TCR	Total Credits (Gross Revenue)	11 AAC 83.241(c)
2	PTR	PR	TOI	Total Overhead Items	11 AAC 83.241(c)(1)
3	PTR	PR	OVHR	Overhead for Production Revenue Account	11 AAC 83.241(c)(1)
4	PTR	PR	GOAE	General Overhead and Admin. Expense	11 AAC 83.241(c)(1)
5	PTR	PR	AVT	Ad Valorem Taxes	11 AAC 83.241(c)(1)
6	PTR	PR	NOP	Non Operator Charges	11 AAC 83.241(c)(1)
7	PTR	PR	AANOH	Audit Adjustments - Non-Overhead items	11 AAC 83.241(c)(1)
8	PTR	PR	TRYE	Royalty payments	11 AAC 83.241(c)(3)
9	PTR	PT	KPRK	Is NPSL in Kuparuk? (Yes = 1, No = 2)	11 AAC 83.241(a)(1)
10	PTR	PT	BNDCPT	Base Annual Net Direct Charges	11 AAC 83.241(c)(1)
11	PTR	PT	NDCPT	Net Direct Charges Petroleum Production Tax Lease Allowance	11 AAC 83.241(c)(1)
12	PTR	DV	TOI	Total Overhead Items	11 AAC 83.241(c)(2)
13	PTR	DV	OVHR	Overhead for Development Account	11 AAC 83.241(c)(2)
14	PTR	DV	GOAE	General Overhead & Administrative Expense	11 AAC 83.241(c)(2)
15	PTR	DV	RTO	Reimbursements to Operator (Capital)	11 AAC 83.241(c)(2)
16	PTR	PT	CEER	Capital Exclusion - Cents Per BOE	11 AAC 83.241(c)(2)
17	PTR	PT	EXCAP	Excluded capital (see AS 43.55.165(e)(18))	11 AAC 83.241(c)(2)
18	PTR	PT	QCE	Qualified Capital Expenditures	11 AAC 83.241(c)(2)
19	PTR	DV	CAPF	Capital Access Fee	11 AAC 83.241(c)(2)
20	PTR	PT	TPTD	Total Petroleum Production Tax Lease Allowance Development Costs	11 AAC 83.241(c)(2)
21	PTR	PT	PTNR	Petroleum Production Tax Lease Allowance Net Revenue	11 AAC 83.241(c)
22	QCC	DV	TOI	Total Overhead Items	11 AAC 83.220(a)
23	QCC	PT	TWIO	Working Interest Ownership Volume (BOE)	11 AAC 83.220(a)
24	QCC	PT	TRV	Royalty Volume (BOE)	11 AAC 83.220(a)

## 6. Schedule PT Report (With Regulation References)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION	REGULATIONS CITE
25	QCC	PT	PTWIO	Petroleum Production Tax Lease Allowance Working Interest Owner Volume (BOE) net of Royalty Volume (BOE)	11 AAC 83.220(a)(5)
26	QCC	PT	EXCAP	Excluded capital (see AS 43.55.165(e)(18))	11 AAC 83.220(a)(5)
27	QCC	PT	QCE	Qualified Capital Expenditures	11 AAC 83.220(a)
28	QCC	PT	QCECR	Qualified Capital Expenditure Rate	11 AAC 83.220(b)
29	QCC	PT	NPAR	Annual Rate	Defined in Lease
30	QCC	PT	QCEC	Qualified Capital Expenditures Credit	11 AAC 83.220(b)
31	LCF	PT	CFCR	Loss Carry Forward Credit Rate	11 AAC 83.220(c)
32	LCF	PT	PTLB	Petroleum Production Tax Lease Allowance loss before production	11 AAC 83.220(c)
33	LCF	PT	PTLBC	Petroleum Production Tax Lease Allowance loss before production credit	11 AAC 83.220(c)
34	TBP	PT	PTNR	Petroleum Production Tax Lease Allowance Net Revenue	11 AAC 83.241(d)
35	TBP	PT	PTWIO	Petroleum Production Tax Lease Allowance for Working Interest Owner Volumes (BOE) net of Royalty Volumes (BOE)	11 AAC 83.241(d)
36	TBP	PT	THR1	Threshold #1	11 AAC 83.241(d)
37	TBP	PT	MUL1	Multiplier #1 (Progressive Increment #1)	11 AAC 83.241(d)
38	TBP	PT	THR2	Threshold #2	11 AAC 83.241(d)
39	TBP	PT	MUL2	Multiplier #2 (Progressive Increment #2)	11 AAC 83.241(d)
40	TBP	PT	MPIR	Maximum Price Index Rate	11 AAC 83.241(d)
41	TBP	DV	BEGB	Beginning Balance	11 AAC 83.241(e)
42	TBP	NP	NPR	Net Profit Share Rate	11 AAC 83.241(e)
43	TBP	PT	BTR	Base Tax Rate	11 AAC 83.241(a)(1)(A)
44	TBP	PT	POS	Payout Status Estimate	11 AAC 83.241(e)
45	TBP	PT	NPDF	Net Profit Deductibility Factor	11 AAC 83.241(e)
46	TBP	PT	PTNRB	Petroleum Production Tax Lease Allowance net revenue per BOE	11 AAC 83.241(d)(2)(B)

## 6. Schedule PT Report (With Regulation References)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION	REGULATIONS CITE
47	TBP	PT	PTPIR	Petroleum Production Tax Lease Allowance Price Index Rate	11 AAC 83.241(c)
48	TBP	PT	PTPI	Petroleum Production Tax Lease Allowance Price Index	11 AAC 83.241(c)
49	PTB	PT	PTNR	Petroleum Production Tax Lease Allowance Net Revenue	11 AAC 83.241(b)(1)
50	PTB	PT	PTSE	Petroleum Production Tax Lease Allowance Section (e)	11 AAC 83.241(b)(1)
51	PTB	PT	GVPOP	Gross Value at Point of Production	11 AAC 83.241(b)(2)(B)
52	PTB	PT	ANS	West Coast ANS price	15 AAC 55.171 (m)
53	PTB	PT	PTMTR	Petroleum Production Tax Lease Allowance minimum tax rate	11 AAC 83.241(a)(2)(A)
54	PTB	PT	PTMT	Petroleum Production Tax Lease Allowance Minimum Tax	11 AAC 83.241(a)(2)
55	PTB	PT	PTBC	Petroleum Production Tax Lease Allowance base before credits	
56	SPC	PT	DOM	Days in the month	
57	SPC	PT	SWTPD	State-wide total production net of royalty on a BOE per day.	AS 43.55.011(e)
58	SPC	PT	PTTSPC	Petroleum Production Tax Lease Allowance Small Producer Credit	11 AAC 83.241(b)
59	SPC	PT	PWIOD	Petroleum Production Tax Lease Allowance Working Interest Owner Volumes net of Royalty in BOE per day for the lease.	11 AAC 83.241(b)

## 6. Schedule PT Report (With Regulation References)

LINE NO.	PPT REPORT	ACCOUNT CODE	ALLOCATION CODE	ALLOCATION CODE DESCRIPTION	REGULATIONS CITE
60	SPC	PT	PTSPC	Petroleum Production Tax Lease Allowance lease allocated small producer credit	11 AAC 83.241(b)
61	PTL	PT	PTLA	Petroleum Production Tax Lease Allowance	11 AAC 83.241(a)
62	LCC	PT	PTLR	Petroleum Production Tax lease allowance loss against Revenue Account	11 AAC 83.209(a)
63	LCC	PT	PTLRC	Petroleum Production Tax lease allowance loss against Revenue Account Credit	11 AAC 83.209(a)
64	PPC	PT	PTDC	Petroleum Production Tax Lease Allowance Development Account Credits	11 AAC 83.220(b) & (c)